Weatherization cash comes with twists

Angela Mapes Turner  |  The Journal Gazette

A long-sought boost to Indiana’s weatherization funds comes with a challenge: how best to coordinate the various state agencies in charge of spending the federal stimulus money.

It also comes with a twist. About half the money is going to a politically active builders group that has no experience in providing a weatherization program, which helps low-income households keep warm.

The state announced late last month that its proposal to use nearly $132 million from the American Recovery and Reinvestment Act to weatherize more than 30,000 households was approved by the U.S. Department of Energy.

The new program, combined with annual weatherization programs already operated by the Indiana Housing and Community Development Authority, will be 11 times the amount normally spent on annual weatherization programs.

Indiana chose to send nearly half its weatherization funds through a startup program run by the Indiana Builders Association rather than send all of it through existing programs that have handled federal weatherization dollars. A handful of community-action agencies received no stimulus money.

That means in northeastern Indiana, community-action agencies will use the funds to weatherize homes in Adams, Allen, Kosciusko and Whitley counties, while the Indiana Builders Association will be responsible for DeKalb, Huntington, LaGrange, Noble, Steuben, Wabash and Wells counties.

Some citizens’ advocacy groups such as Common Cause Indiana have criticized Gov. Mitch Daniels’ decision to funnel the money through the politically active Indiana Builders Association, pointing out that the group has been a major contributor to Daniels’ gubernatorial campaigns.

‘Common sense’

The association maintains that just because it has never administered grant funds doesn’t mean it’s incapable of doing so.

“Common sense tells us that this program is so large that it cannot be done conventionally,” president Dennis Spidel said in the group’s September newsletter. “That is why it was opened up to other nonprofit organizations like us.”

The association’s members come from the housing industry. Its goal, according to its Web site, is to educate the public and policymakers about affordable regulations and laws that allow Hoosiers to own homes.
The stimulus weatherization program will draw from the database of those who have already qualified for the state’s energy-assistance program to determine people with the greatest need – older residents, those with disabilities or families with children. Those households are audited to determine whether they need energy-saving items such as programmable thermostats, insulation, new furnaces or hot water heaters.

Mike Hannigan Jr., the Indiana Builders Association’s program administrator, said his organization has been collaborating with experienced groups like Community Action of Northeast Indiana. His group also brings fresh ideas and technology as a startup program, Hannigan said.

Using the state’s energy-assistance database, the association has ordered audits on houses and expects to begin work on more than 500 homes in northeastern Indiana in a few weeks, Hannigan said.

**Plan in place**

Gerri Mann is just grateful for whatever help people in her situation can get. Leaves are just beginning to fall around the retiree’s mobile home on Fort Wayne’s south side, littering the grass around her carefully tended flower beds.

She and her late husband had caulked around windows and put foam around electrical plates. She set her thermostat to 67 degrees at night and 64 degrees during the day.

But after three decades, her home’s original furnace and poor insulation have combined to cause her gas bills to creep up to $200 monthly.

Finally, her youngest daughter called Community Action of Northeast Indiana about its energy-assistance program. CANI referred Mann to the weatherization program, and in August, workers spent two days insulating, repairing ductwork and installing a new furnace and thermostat.

CANI, like most community-action agencies, has long had a process in place for weatherizing homes. The agency has had to hire and train weatherization staff, but the program itself is not unusual.

But some details of the stimulus program are.

CANI must use the $2.2 million it receives to weatherize 357 homes in Allen and Whitley counties between now and the end of May – easily more than twice the number the agency normally handles, said Pam Brookshire, director of program operations.

The stimulus funds are geared toward a wider income bracket – up to 200 percent of the federal poverty level, or a $44,100 annual income for a family of four. The weatherization program usually extends only to 150 percent of the poverty level, or $33,075 for a family of four, Brookshire said.

That means CANI can still use its regular weatherization dollars on households that meet the lower income guideline in the counties it normally oversees: DeKalb, Steuben, LaGrange and Noble. But homes weatherized with stimulus money in those counties will be handled by the Indiana Builders Association.

Another wrinkle in the plan is that CANI and other agencies using the stimulus funds must use a centralized purchasing program that will buy materials in bulk – a move the state said will combat fraud and cronyism involving materials.

The state is still finalizing details of that program, said Deborah Hepler, general counsel for the Indiana Housing and Community Development Authority.

Mann is just eager to see the effects of the weatherization done on her mobile home. Mann said she was surprised how extensive the work was for the amount of money spent.
"I never expected it all," she said.